

FIRST REGULAR SESSION

SENATE BILL NO. 306

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS DEMPSEY, SCHMITT, SCHAEFER AND PEARCE.

Read 1st time February 4, 2009, and ordered printed.

TERRY L. SPIELER, Secretary.

0817S.03I

AN ACT

To amend chapter 208, RSMo, by adding thereto fourteen new sections relating to the show-me health coverage plan.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 208, RSMo, is amended by adding thereto fourteen
2 new sections, to be known as sections 208.1300, 208.1303, 208.1306, 208.1309,
3 208.1312, 208.1315, 208.1318, 208.1321, 208.1324, 208.1327, 208.1330, 208.1333,
4 208.1336, and 208.1345, to read as follows:

**208.1300. As used in sections 208.1300 to 208.1345, the following
2 terms shall mean:**

3 (1) "Plan", the show-me health coverage plan established in
4 section 208.1303;

5 (2) "Preventive care services", care that is provided to an
6 individual to prevent disease, diagnose disease, or promote good
7 health.

**208.1303. 1. Subject to appropriations, the "Show-me Health
2 Coverage" plan is hereby established.**

3 **2. The department of social services shall administer the plan.**

4 **3. The department of insurance, financial institutions and
5 professional registration and the MO HealthNet division of the
6 department of social services shall provide oversight of the marketing
7 practices of the plan.**

8 **4. The department of social services shall promote the plan and
9 provide information to potential eligible individuals.**

10 **5. The department of social services shall, to the extent possible,
11 ensure that enrollment in the plan is distributed throughout Missouri
12 in proportion to the number of individuals throughout Missouri who**

13 are eligible for participation in the plan.

14 6. The MO HealthNet division shall establish standards for
15 consumer protection, including the following:

- 16 (1) Quality of care standards;
- 17 (2) A uniform process for participant grievances and appeals;
- 18 (3) Standardized reporting concerning provider performance,
- 19 consumer experience, and cost.

208.1306. 1. The plan shall provide for every participating
2 individual a health care home as defined in rules promulgated by the
3 department of social services.

4 2. The plan shall include the following medically necessary
5 services in a manner and to the extent determined by the MO HealthNet
6 division:

- 7 (1) Mental health care services;
- 8 (2) Inpatient hospital services;
- 9 (3) Prescription drug coverage;
- 10 (4) Emergency room services;
- 11 (5) Physician and advanced practice nurse services;
- 12 (6) Diagnostic services;
- 13 (7) Outpatient services;
- 14 (8) Home health services;
- 15 (9) Urgent care center services;
- 16 (10) Preventive care services;
- 17 (11) Family planning services:
- 18 (a) Including contraceptives and sexually transmitted disease
- 19 testing, as described in federal Medicaid law, 42 U.S.C. 1396, et seq.; and
- 20 (b) Not including abortion or abortifacients, except as required
- 21 in federal Medicaid law, 42 U.S.C. 1396, et seq.;
- 22 (12) Hospice services;
- 23 (13) Substance abuse services;
- 24 (14) Federally qualified health center and rural health clinic
- 25 services;
- 26 (15) Durable medical equipment;
- 27 (16) Emergency transportation services;
- 28 (17) Personal care services;
- 29 (18) Case management, care coordination, and disease
- 30 management; and

31 **(19) Therapy services including physical, occupational, and**
32 **speech therapy.**

33 **3. The plan may not permit treatment limitations or financial**
34 **requirements on the coverage of mental health care services or**
35 **substance abuse services if similar limitations or requirements are not**
36 **imposed on the coverage of services for other medical or surgical**
37 **conditions.**

208.1309. 1. The plan shall, subject to appropriations, provide to
2 **an individual who participates in the plan a list of health care services**
3 **that qualify as preventive care services for the age, gender, and**
4 **preexisting conditions of the individual. The plan shall consult with**
5 **the federal U.S. Preventive Services Task Force for a list of**
6 **recommended preventive care services.**

7 **2. The plan shall, at no cost to the individual, provide payment**
8 **for at least five hundred dollars of qualifying preventive care services**
9 **per year for an individual who is eligible based on subdivision (2) of**
10 **subsection 1 of section 208.1318. Any additional preventive care**
11 **services covered under the plan and received by an individual who is**
12 **eligible based on subdivision (2) of subsection 1 of section 208.1318 are**
13 **subject to the deductible and payment requirements of the plan.**

208.1312. Under no circumstances shall less than ninety-three
2 **percent of the funds appropriated by the general assembly for the plan**
3 **be used to fund payment for health care services.**

208.1315. The maximum enrollment of individuals who may
2 **participate in the plan is dependent on funding appropriated for the**
3 **plan by the general assembly. Eligibility for the plan may be phased in**
4 **incrementally on the basis of actions taken by the general assembly in**
5 **the appropriations process.**

208.1318. 1. An individual is eligible for participation in the plan
2 **if the individual meets the following requirements:**

3 **(1) The individual is eligible based on subsection 2 of section**
4 **208.145; or**

5 **(2) The individual meets all of the following requirements:**

6 **(a) The individual is at least nineteen years of age and less than**
7 **sixty-five years of age;**

8 **(b) The individual is a United States citizen or eligible qualified**
9 **legal alien and is a resident of Missouri;**

10 (c) The individual has an annual household income of not more
11 than two hundred twenty-five percent of the federal poverty level;

12 (d) The individual does not have access to health insurance
13 coverage through the individual's employer. For the purposes of this
14 section "access to health insurance coverage" means that the
15 individual's employer-provided health insurance requires the payment
16 of a premium not exceeding the amount set by subdivision (1) of
17 subsection 1 of section 208.640 for individuals with incomes below one
18 hundred eighty-five percent of the federal poverty level and the amount
19 set by subdivision (2) of subsection 1 of section 208.640 for individuals
20 with incomes one hundred eighty-five percent of the federal poverty
21 level and above. The department may enroll the individual in the
22 health insurance premium payment program if it is more cost
23 beneficial to the show-me health coverage plan and as allowed by the
24 centers for Medicare and Medicaid services;

25 (e) The individual has not had health insurance coverage for at
26 least six months;

27 (f) The individual has household earned income above the
28 temporary assistance for needy families limit; and

29 (g) The individual does not have household unearned income
30 above the temporary assistance for needy families limit.

31 2. The following individuals are not eligible for the plan:

32 (1) An individual who participates in the federal Medicare
33 program, 42 U.S.C. 1395, et seq.;

34 (2) A pregnant woman for purposes of pregnancy-related
35 services, unless she does not qualify by reason of income for MO
36 HealthNet for pregnant women.

37 3. The eligibility requirements specified in subsection 1 of this
38 section are subject to approval for federal financial participation by
39 the United States Department of Health and Human Services.

40 4. The plan is not an entitlement program for individuals eligible
41 based on the requirements of subdivision (2) of subsection 1 of this
42 section.

208.1321. 1. Individuals eligible under subdivision (2) of
2 subsection 1 of section 208.1318 who participate in the plan shall have
3 a health care account to which payments may be made for the
4 individual's participation in the plan by any of the following:

- 5 (1) The individual;
- 6 (2) An employer;
- 7 (3) The state;
- 8 (4) Any philanthropic or charitable contributor.

9 2. The minimum funding amount for a health care account is the
10 amount required under section 208.1324.

11 3. An individual's health care account shall be used to pay the
12 individual's deductible for health care services under the plan.

13 4. An individual may make payments to the individual's health
14 care account as follows:

15 (1) An employer withholding or causing to be withheld from an
16 employee's wages or salary, after taxes are deducted from the wages or
17 salary, the individual's contribution under this section and distributed
18 equally throughout the calendar year;

19 (2) Submission of the individual's contribution under sections
20 208.1300 to 208.1345 to the MO HealthNet division to deposit in the
21 individual's health care account in a manner prescribed by the
22 division;

23 (3) Another method determined by the division.

24 5. An employer may make, from funds not payable by the
25 employer to the employee, not more than fifty percent of an individual's
26 required payment to the individual's health care account.

208.1324. 1. For individuals required to contribute to a health
2 care account under section 208.1321, participation in the plan does not
3 begin until an initial payment is made for the individual's participation
4 in the plan. A required payment to the plan for the individual's
5 participation may not exceed one-twelfth of the annual payment
6 required under subsection 2 of this section.

7 2. To participate in the plan, an individual shall do the following:

8 (1) Apply for the plan in a manner prescribed by the department
9 of social services. The department of social services may develop and
10 allow a joint application for a household;

11 (2) If the individual is approved by the department of social
12 services to participate in the plan, contribute to the individual's health
13 care account the lesser of the following:

14 (a) One thousand dollars in the first year adjusted annually each
15 year thereafter by the federal consumer price index, less any amounts

16 paid by the household under the:

17 (i) MO HealthNet program;

18 (ii) Children's health insurance program; and

19 (iii) Medicare program, 42 U.S.C. 1395, et seq., as determined by
20 the department of social services; or

21 (b) Not more than the following applicable percentage of the
22 individual's annual household income per year, less any amounts paid
23 by the individual under the Medicaid program, the children's health
24 insurance program, and the Medicare program, 42 U.S.C. 1395, et seq.,
25 as determined by the department of social services:

26 (i) Two percent of the individual's annual household income per
27 year if the individual has an annual household income of more than one
28 hundred percent and not more than one hundred twenty-five percent
29 of the federal poverty level;

30 (ii) Three percent of the individual's annual household income
31 per year if the individual has an annual household income of more than
32 one hundred twenty-five percent and not more than one hundred fifty
33 percent of the federal poverty level;

34 (iii) Four percent of the individual's annual household income
35 per year if the individual has an annual household income of more than
36 one hundred fifty percent and not more than two hundred percent of
37 the federal poverty level;

38 (iv) Five percent of the individual's annual household income per
39 year if the individual has an annual household income of more than
40 two hundred and not more than two hundred fifty percent of the
41 federal poverty level; or

42 (v) One percent of the individual's annual household income per
43 year if the individual is not described in subsection 2 of section 208.145
44 and has an annual household income of less than one hundred percent
45 of the federal poverty level.

46 3. In no case shall the combined household contribution to the
47 health care account and other deductible or co-pay exceed five percent
48 of the annual household income.

49 4. The state shall contribute the difference to the individual's
50 account if the individual's payment required under subdivision (2) of
51 subsection 2 of this section is less than one thousand dollars in the first
52 year or the amount each year thereafter as adjusted by the federal

53 consumer price index.

54 5. If an individual's required payment to the plan is not made
55 within sixty days after the required payment date, the individual may
56 be terminated from participation in the plan. The individual shall
57 receive written notice before the individual is terminated from the
58 plan.

59 6. After termination from the plan under subsection 5 of this
60 section, the individual may reapply to participate in the plan.

61 7. The deductible that is required of individuals eligible for the
62 plan based on subdivision (2) of subsection 1 of section 208.1318 shall
63 not be greater than the amount in their health savings account. The
64 plan shall cover any necessary health services if the individual has
65 made the required contribution to the individual's health savings
66 account.

208.1327. 1. An individual approved to participate under
2 subdivision (2) of subsection 1 of section 208.1318 is eligible for a
3 twelve month plan period unless the individual fails to make a
4 contribution to the plan as required in section 208.1324. An individual
5 who participates in the plan without a break in service may not be
6 refused renewal of participation in the plan for the sole reason that the
7 plan has reached the plan's maximum enrollment.

8 2. If the individual chooses to renew participation in the plan,
9 the individual shall complete a renewal application and any necessary
10 documentation on a form prescribed by the department of social
11 services.

12 3. Any funds remaining in the health care account of an
13 individual who renews participation in the plan at the end of the
14 individual's twelve month plan period shall be used to reduce the
15 individual's payments for the subsequent plan period.

16 4. If an individual is no longer eligible for the plan, does not
17 renew participation in the plan at the end of the plan period, or is
18 terminated from the plan for nonpayment of a required payment, the
19 MO HealthNet division shall, not more than ninety days after the last
20 date of participation in the plan, refund to the individual the amount
21 of any individual payments remaining in the individual's health care
22 account as determined by rule.

208.1330. 1. An insurer or health maintenance organization that

2 contracts with the MO HealthNet division to provide health insurance
3 coverage to an individual that participates in the plan:

4 (1) Is responsible for the claim processing for the coverage;

5 (2) Is responsible for provider reimbursement;

6 (3) Shall not deny coverage to an eligible individual who has
7 been approved by the department of social services to participate in
8 the plan; and

9 (4) Shall not charge a deductible exceeding one thousand dollars
10 in the first year of the plan or the amount each year thereafter, as
11 adjusted by the consumer price index.

12 2. An insurer or a health maintenance organization that
13 contracts with the MO HealthNet division to provide health insurance
14 coverage under the plan shall incorporate cultural competency
15 standards established by the office. The standards shall include
16 standards for non-English speaking, minority, and disabled populations.

208.1333. 1. An insurer or a health maintenance organization
2 that contracts with the MO HealthNet division to provide health
3 insurance coverage under the plan or an affiliate of an insurer or a
4 health maintenance organization that contracts with the MO HealthNet
5 division to provide health insurance coverage under the plan shall offer
6 to provide the same health insurance coverage to an individual who:

7 (1) Has not had health insurance coverage during the previous
8 six months; and

9 (2) Meets the eligibility requirements specified in section
10 208.1318 for participation in the plan but is not enrolled because the
11 plan has reached maximum enrollment.

12 2. The insurance underwriting and rating practices applied to
13 health insurance coverage offered under subsection 1 of this section
14 shall not be different from underwriting and rating practices used for
15 the health insurance coverage provided under the plan.

16 3. The state shall not provide funding for health insurance
17 coverage received under this section.

208.1336. The MO HealthNet division shall promulgate rules and
2 regulations for the implementation of sections 208.1300 to
3 208.1345. Any rule or portion of a rule, as that term is defined in
4 section 536.010, RSMo, that is created under the authority delegated in
5 this section shall become effective only if it complies with and is

6 subject to all of the provisions of chapter 536, RSMo, and, if applicable,
7 section 536.028, RSMo. This section and chapter 536, RSMo, are
8 nonseverable and if any of the powers vested with the general assembly
9 pursuant to chapter 536, RSMo, to review, to delay the effective date,
10 or to disapprove and annul a rule are subsequently held
11 unconstitutional, then the grant of rulemaking authority and any rule
12 proposed or adopted after August 28, 2009, shall be invalid and void.

208.1345. The MO HealthNet division shall apply to the United
2 States Department of Health and Human Services for approval of a
3 Section 1115 demonstration waiver and/or a Medicaid state plan
4 amendment to develop and implement the plan, provided that any
5 reduction of disproportionate share hospital funds applied to the cost
6 of the plan as required by such waiver shall not be disproportionate to
7 the impact the program has on Missouri's low income uninsured.

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Bill

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